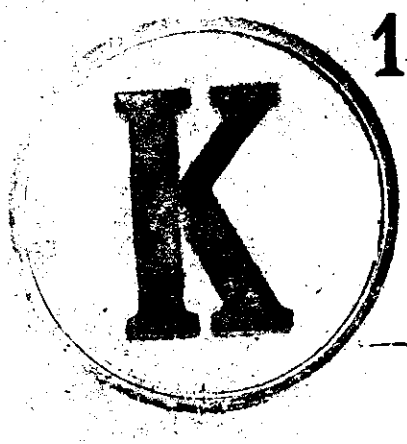

1952.

File No. O Sale of Goods 52

Legal Department-
A **BRANCH** p 3(6)

Subject:— Opinions under the Indian Sale of Goods Act, 1930.

File No. O Sale of Goods/52

Gen. 194 a.

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C O N T E N T S.

Legal Department File No. O. Sale of Goods/52

Serial No.	R.I./O.No.	Subject	Pages.
		Opinions under the Indian Sale of Goods Act, 1930	
1)	O.No. 20322/3-12-52	S.S. 20 and 37(3) quantity Re: Sale of certain goods by Govt. from the lot in respect of which Govt. has already made contract and thus sold it to certain merchant.	1-2

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Section 20 of the Indian Sale of Goods Act, 1930, provides that where there is an unconditional contract for the sale of specific goods in a deliverable state, the property in the goods passes to the buyer when the contract is made and it is immaterial whether the time of payment of the price or the time of the delivery of the goods or both is postponed. Sub-section (3) of section 37 provides that where the seller delivers the buyer the goods he contracted to sell mixed with goods of a different description not included in the contract, the buyer may accept the goods which are in accordance with the contract and reject the rest, or may reject the whole. By furnishing the details of counts, mills month of packing etc., of the bales of yarn sold to Messrs. Shiamlal Chimanlal, Government would be deemed to have made a contract for the sale of specific goods in a deliverable state and consequently the property in these bales has passed to Messrs. Shiamlal Chimanlal. It would not, therefore, be competent for Government to dispose of some bales of yarn of current production against the indents received with a view to replenishing the stock as and when Messrs. Shiamlal Chimanlal are ready and willing to pay for and lift. If the bales of yarn from the stocks sold to Messrs. Shiamlal Chimanlal under the contract are now disposed of, the buyer may reject the whole stock if Government offers to sell the balance of the stock with new bales of yarn, in which case Government would not be able to sue the contractor for damages. Government will have, therefore, to wait until the expiry of the period of contract and then sell the lot if the market is available.

Id./P.M.L. 2/2

Remembrancer of Legal Affairs.

U.R. to S.T.C., No. 20222/A dated the 3rd December 1952.

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